

INTRODUCTION

The purpose of this paper is to discuss the workload of the CDP Unit and the consequences for staffing arrangements. In brief, it is argued that:

The workload is complex and sophisticated requiring specific committed, skilled and experienced operators.

The program has credible, significant and achievable objectives and consequences.

The Unit is exercising the critical impact on the development of worker co-operatives in Victoria.

The Unit's fluctuating staffing arrangements persistently threaten the program's credibility and achievements.

The staffing crisis of the Unit is resolvable.

PROGRAMMATIC CONTEXT

The CDP Unit services the Cooperative Development Program. The program itself, however, needs to be set within the context of other Employment Division activities and programs - in particular the Community Employment, Employment Development and Affirmative Employment programs.

The CDP is a long-term job creation/maintenance program which is programmatically separated from the EDP because of the specialised, sophisticated and complex developmental needs of cooperatives. In reality, however, the separation has been influential-based rather than a considered program separation. There have been programmatic pressures to absorb the CDP within the Employment Development Program.

A review of worker cooperatives by the Trans National Cooperative and Labor Resource Centre, Worker Cooperatives in N.S.W. and Victoria: A Policy Review, has argued that cooperative development programs should be separated from other job creation and enterprise programs. The review argued "that it is necessary to clearly distinguish worker cooperative support services from wage subsidies, CEP, community business ventures, employee-owned enterprises, alternative lifestyle options and conventional businesses" (p 112) The basis for the separation was stated as follows: "Wage subsidy schemes and the CEP focus on the provision of short-term employment and training opportunities for particular target groups within or attached to existing enterprises. On the other hand, worker co-operatives depend on the establishment of autonomous, economically

POLICY CONTEXT

In April 1981 funding was available to community, consumer and worker-based co-operatives. By February 1984 funding priorities had been clarified and focussed on worker and consumer co-operatives. Both worker and consumer co-operatives are required to develop and implement industrial democracy principles and practices, trade union membership and liaison is encouraged and co-operatives are expected to provide award/market wages and conditions and establish occupational health and safety committees. Priority, however, is being given to the development of worker co-operatives - particularly conversion co-operatives.

Outstanding policy issues include consolidating the structure and character of worker co-operatives, establishing and developing up to four conversion co-operatives, the full unionisation of all worker co-operatives, the role of trade unions in worker co-operative development, the basis of legislative change and appropriate mechanisms for the development of worker co-operatives. All these issues are being addressed by the Ministerial Advisory Committee on Co-operation, the M.A.C.C. Worker Co-operative Working Party and the C.D.P. Unit.

STAFFING CONTEXT

Unit activity and capacity has fluctuated considerably since 1981 because of the Unit's fluctuating staffing levels. Staffing levels have varied between two and four workers. Currently there are three staff - a part time Coordinator and two full-time officers. One of the full-time officers is exempt, held against an advertised AEP position and, therefore, will have his services terminated when the position is filled. The exempt officer was appointed to temporarily replace another officer who was seconded from the CDP Unit to the Employment Development Program - originally for a three month period. There have been discussions that the seconded officer will return to the CDP Unit but not necessarily on a full-time basis. A part-time return would be unsatisfactory.

Because of the conceptual basis of co-operatives, the CDP Unit must operate on the basis of democratic participation - an inevitable and necessary approach given the program's emphasis on workplace democracy. There is an emphasis in the Unit on group decision-making, individual interests and skills, shared responsibility and personal autonomy within the context of a bureaucratic structure and workload demands.

In his speech to the Worker Co-operative Forum on the 14 October 1984, the Minister for Employment and Training, the Hon. Jim Simmonds, M.P. said: "Critical to my Ministry's resourcing of worker co-operatives is the C.D.P. Unit. The Trans National Co-operative and Labour Resource Centre report on worker co-operatives in New South Wales and Victoria suggested that there were some clear requirements for an effective unit. These were: first, the Unit should operate independently from other Ministry programs; second, the staff of the Unit should have co-operative experience, skills and commitment; third, oversight for the Unit should be the responsibility of a senior officer with considerable and proven co-operative experience, skills and commitment; fourth, the Unit requires a minimum staffing level consistent with its complex and sophisticated workload; and, fifth, continuity of staff in the Unit."

WORKLOAD CONTEXT

The workload of the CDP Unit is determined by its activities, priorities and required and available resources. While it is possible to reduce the Unit's workload this is not necessarily realistic. What follows, then, is a detailed discussion of the workload.

viable enterprises in the market economy, capable of sustaining long-term jobs. Co-operatives are distinguished from other types of enterprises by the democratic control of member/workers over the assets and resources and the structure of the work process " (p 63).

In a speech to a forum on worker co-operatives on 14 October 1984 the Minister, the Hon. Jim Simmonds, M.P., agreed that a CDP Unit should operate independently from other Ministry programs,

The development of worker co-operatives requires the establishment of the basis of a worker co-operative tradition. This requires working within an educational, economic and organisational environment which is ignorant about co-operatives in general and worker co-operatives in particular

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Because of the conceptual basis of cooperatives, the CDP Unit must operate on the basis of democratic participation - an inevitable and necessary approach given the program's emphasis on workplace democracy. There is an emphasis in the Unit on group decision-making, individual interests and skills, shared responsibility and personal autonomy within the context of a bureaucratic structure and workload demands.

(a) Cooperative Policy.

Cooperative policy development has always remained an integral ingredient of the CDP. In April 1983 Cruickshank Management Resources Pty Ltd was commissioned to review the CDP. In December 1983 the Trans National Cooperative and Labor Resource Centre was commissioned to undertake a worker cooperative policy review. Both documents have contributed to policy and program changes. The program's objectives and guidelines were revised in August 1981, February 1984 and October 1984.

In recognising the importance of policy development, the Minister has made a commitment of three officer days per week to the Ministerial Advisory Committee on Cooperation (M.A.C.C.). M.A.C.C. is developing policy on the Cooperation Act and on mechanisms for the development of cooperatives. David Griffiths is a member of the M.A.C.C. Committee, was the main author of the M.A.C.C. Information Paper, The Development of the Cooperative Movement in Victoria, and will co-author the M.A.C.C. Interim and Final Reports. He also convenes the M.A.C.C. Worker Co-operative Working Party and is a member of the Trade Union liaison committee.

Complementing its work with M.A.C.C, the CDP Unit has prepared the following draft discussion papers - Appropriate Co-operative Development and What Is a worker co-operative? A third paper on Financing Worker Co-operatives is in preparation - in consultation with the Collingwood-Richmond-Fitzroy Credit Co-operative and the Victorian Credit Co-operatives Association.

MEAT's policy development role with M.A.C.C. is also being developed through the Worker Cooperative Working Party. The Working Party has met nine times and has representatives from worker cooperatives - Backyard Press, Gay Publications Cooperative, Sybylla Cooperative Press and Publications, W.R. Renovations, Glass Glow Industrial Cooperative, Brunswick Italo-Australian Employment Co-operative, Employ and Chain Reaction. The Working Party has considered the CDP Unit discussion papers as well as a paper on trade unions and worker co-operatives prepared by W.R.Renovations and worker co-operative model rules prepared by the V.C.C.A. The Working Party also organised a Worker Co-operative Forum on 14 October 1984. Ninety people attended the forum. The Working Party is currently meeting on a weekly basis to prepare a group submission to M.A.C.C.

A Worker Co-operative Association feasibility study is being recommended for funding to the Minister. A Worker Cooperative Association would provide an organisational focus and structure for worker cooperatives. The significance of cooperative associations has been discussed in the CDP Unit discussion paper, Appropriate Co-operative Development.

Funding has been made available for a research worker to interview all co-operatives funded under the Co-operative Development Program. The study has been funded to ensure that the individual and collective interests of these co-operatives are adequately presented and represented to M.A.C.C.

The Victorian Food Co-operative Study Group has also been funded to present and represent the interests of Victoria's 44 food co-operatives to M.A.C.C., develop a wholesale warehouse, establish a food cooperative for unincorporated groups and establish a Food Co-operative Association.

The Ministry is also funding the M.A.C.C. Cooperative Education study.

There is also a proposal that the Brunswick Italo-Australian Employment Cooperative will prepare assessments and position papers on the worker cooperative movement in Italy and the developmental implications for the development of worker co-operatives in Victoria. This proposal follows a meeting between regional government politicians from Italy, the CDP Unit, officials from the Ethnic Affairs Commission, members of the cooperative, the Minister for Employment and Training, the Hon. J. Simmonds, and the Minister for the Arts. the Hon. R. Mathews. The meeting revealed that worker co-operative policy and practice in Italy is closer to Victorian rather than N.S.W. policy and practice - low member equity, no surplus distribution to individual members and the politicalisation of co-operativism. The meeting agreed in principle for exchange visits between Victoria and Italy. The Brunswick Italo-Australian Employment Co-operative proposal will give practical effect to the meeting.

There is an implicit and explicit ideological debate occurring within M.A.C.C. concerning the structure of worker co-operatives and their relationship to the State. The Trans National Co-operative and Labor Resource Centre report, Worker Co-operatives in Victoria and N.S.W: A Policy Review, has provoked this debate. The report has been criticised as being anti-co-operative and State Enterprist. The debate is discussed in the CDP Unit paper, What is a worker co-operative?

As this Ministry is the only provider of State support to worker co-operatives in Victoria it cannot leave the debate to theorists and others, albeit well meaning. The outcome of the debate will impinge upon and affect worker co-operatives and the Ministry's policy and practices e.g., legislative provisions, regulations, developmental assistance and financing.

(b) Co-operative Infrastructure.

The activities of the CDP Unit are complemented by a number of external agencies:

The Collingwood-Richmond-Fitzroy Credit Co-operative.
The Small Business Centre, Preston T.A.F.E.
The School of Business, Ballarat C.A.E.
Victorian Credit Co-operatives Association
R.M.I.T. School of Business

The usage of external agencies is based on the appropriate developmental needs of co-operatives rather than the externalisation of functions that could otherwise have been undertaken by the Ministry - in particular, democracy and autonomy. This basis is outlined in the CDP Unit discussion paper, Appropriate Co-operative Development. Quite obviously, co-operative infrastructure must reflect co-operative policy. Current arrangements are short-term but they do provide the basis for infrastructure in the long-term. Funding of studies into the establishment of Worker and Food Co-operative Associations are critical to this infrastructure. The work on financing worker co-operatives is also of critical importance. These developments do not preclude, however, the necessity of a CDP Unit.

The Collingwood-Richmond-Fitzroy Credit Co-operative has prepared an assessment of bookkeeping systems in funded co-operatives. The co-operative is currently preparing bookkeeping kits for worker and food co-operatives. It has provided a bookkeeping service for The Agency and the Victorian Food Co-operative Study group and undertaken bookkeeping and financial assessments of Glass Glow Industrial Co-operative, Correct Line Graphics and Gay Publications Cooperative. While co-operative-based the service has had mixed consequences - relatively effective but slow.

The Ballarat CAE is providing a business consultancy service for co-operatives funded in rural Victoria - 3CCC(Harcourt), Bendigo Trading Co-operative, Maryborough Bootstrap, Geelong Wholefoods Co-operative, Ballarat Trading Co-operative and Glass Glow Industrial Co-operative Ltd. The service has developed slowly but is now beginning to demonstrate its usefulness.

Preston TAFE is providing a business consultancy service for co-operatives funded in Metropolitan Melbourne - Backyard Press, Open Channel, Gay Publications Co-operative, Correct Line Graphics, Sybylla Co-operative Press and Publications Ltd, Hodja Educational Resources Co-operative and the Brunswick Italo-Australian Employment Co-operative. While partly uneven, the Preston TAFE service has been thorough and professional.

The Victorian Credit Co-operative Association has prepared financial assessments of co-operatives applying for re-funding. While useful, the assessments have been inaccessible, not comparable and slow.

R.M.I.T.'s School of Business formed a task force, together with the Collingwood-Richmond-Fitzroy Credit Co-operative, to assess the proposed Glass Glow co-operative. R.M.I.T. is now being commissioned to assist Ballarat C.A.E. in the implementation of identified changes to the co-operative's operations.

It is a long-term process to develop co-operative consultancy services that can respond appropriately to the value-based structures and practices which differentiate worker co-operatives in particular from other co-operatives and other enterprises. While there is a commonality of business resources and needs, the decision-making process and decisions about these resources are different. The restriction of capital in a worker co-operative is real rather than rhetorical and, therefore, there are real conceptual, philosophical and practical differences between worker co-operatives and other business enterprises.

Preston TAFE is also responsible for developing the Co-operative Intenders and New Enterprise courses. The courses provide a sound and formal basis for groups to undertake feasibility studies and develop enterprise plans within the context of established and/or developing co-operative business enterprises. The courses are equally important, therefore, not only for developing business skills but also for understanding co-operative philosophy and principles based on industrial democracy principles and practices.

The courses have changed significantly since their introduction. In its absence, the process of developing an appropriate co-operative education ideology and methodology is long-term and a process of praxis.

Externalisation of services improves and broadens the support available to co-operatives but does not reduce the Unit's workload. What occurs, instead, is that the nature of the workload changes and is different.

(c) Co-operative Monitoring

Co-operatives funded under the CDP should be monitored once a month. Monitoring is essentially a developmental process of ensuring that the Funding Agreement is being adhered to but also to assist the enterprise to achieve economic viability within a context of co-operative and industrial democracy principles and practices. There is a direct relationship between the ability of co-operatives to meet funding requirements and monitoring visits.

Over the last eight months, however, monitoring of funded co-operatives has not been maintained. Priority has been given to co-operative policy, infrastructure and information. Monitoring tends to be reactive rather than proactive - responding to rather than anticipating crisis.

The difficulties of some co-operatives are not simply resolved, however, by monitoring visits. All the monitoring visits achieve with these co-operatives is to demonstrate the need for labor intensive developmental work that is neither possible nor desirable. In the last three week weeks, for instance, there have been three meetings with General Services Co-operative and four meetings with Correct Line Graphics to address critical issues concerning the development of these co-operatives.

(d) Co-operative Information.

Appropriate information is critical to the visibility and accessibility of the program and for understanding the nature of co-operative philosophy, principles and practices. In recent months this situation has been rectified with a videotape (Workplace Democracy: The Co-operative Way) and the production of a series of full colour pamphlets - Workplace Democracy: The Co-operative Way (5000), Viability Criteria(10,000), Objectives (10,000) and Conversion Co-operatives (10,000).

In addition to these publications Holmsglen TAFE has been researching a number of pamphlets - Questions and Answers About Worker Co-operatives, Trade Unions and Worker Co-operatives, Occupational Health and Safety and Worker Co-operatives, Industrial Issues and Worker Co-operatives and Affirmative Employment and Worker Co-operatives. The first pamphlet is now being reprinted by Holmsglen TAFE. When finalised the remaining pamphlets will be published by F.D. Atkinson. The information material is in English. Eventually, it will be necessary to produce multilingual publications.

A number of cooperative case studies have also been commissioned - Backyard Press, Sybylla Cooperative Press and Publications, Hodja Educational Resources Co-operative, Brunswick Italo- Australian Employment Cooperative, Gay Publications Co-operative, Open Channel and Glass Glow Industrial Co-operative. The case studies will provide unique educational material on exxperiences in establishing and developing co-operatives.

The co-operative information program, however, is double-edged. It provides a sound basis for understanding co-operative philosophy, principles and practices and provides accessible co-operative information. But, then, the information program also provokes further interest in worker co-operatives and, therefore, adds to the Unit's workload.

(e) Co-operative Development.

Co-operative development is focussed on worker and consumer co-operatives. Preference is given to the development of worker co-operatives with priority being given to conversion co-operatives - companies which convert into co-operatives. One conversion co-operative is currently supported - Glass Glow Industrial Co-operative Ltd.

Priority should be given to the development of further conversion co-operatives. The basis for this priority is: the ability to establish an economic performance track record; the proven skill base of the workforce; the de-marginalisation of the program; and, the potential to convert unionised companies and, therefore, secure trade union support for worker co-operatives.

The Minister has agreed to the organisation of a series of regionally-based conversion co-operative workshops. A primary aim of the workshops will be to inform business owners, workers and unionists about the potential to convert companies into co-operatives. Because of the CDP Unit workload problems, RMIT's School of Business has been invited to submit a proposal to organise the workshops.

While priority is being given to conversion co-operatives, activity with start-up co-operatives is continuing.

Two co-operatives for Lebanese workers, and a co-operative of intellectually disabled workers, a courier group and a magazine group are proceeding into the Second New Enterprise course. A special Intenders course was developed for the Lebanese groups - course material was translated into Arabic and the course presentation was in both Arabic and English.

The Minister has expressed approval of widening the CDP client base to include people from ethnic minorities and other disadvantaged sections of the community.

All these developments, however, create their own workload and specialist skill problems. Accessing the CDP to ethnic minorities and disadvantaged groups is essential if the Government's policy of equity of access is to be achieved. But, then, as recognised by the Minister, equal access and outcome requires additional resources. It was only possible to develop the two Lebanese worker co-operatives and the co-operative of intellectually disabled workers because of the availability of an officer from the Affirmative Employment Program and Lebanese community project workers at the Ethnic Affairs Commission.

Conversion co-operatives require a higher order of skills than start-up co-operatives because of the involvement of established workforces, management and unions. The existing Co-operative Intenders and New Enterprise courses are inappropriate for conversion co-operatives. New courses will need to be developed.

The necessary processes for establishing and developing start-up and conversion co-operatives are necessarily different and, therefore, the approaches need to be different.

(f) Co-operative Funding.

The Minister is advised by a CDP Funding Committee.

The membership of the Committee is as follows - MEAT(2), Legal and Registry Division, Ministry of Housing (1), Department of Labor and Industry (1), Small Business Development Corporation(1), Co-operative Federation of Victoria (1), Victorian Credit Co-operatives Association(2) and funded co-operatives (3).

There have been two substantial changes to the committee's membership - increasing the funded co-operative membership from two to three and increasing co-operative movement representation to a majority. A further change under consideration is to rotate the funded co-operative representatives - worker co-operative representatives will consider worker co-operative applications whereas consumer co-operative representatives will consider consumer co-operative applications. The Minister has also indicated that it is hoped in the future to add trade union representatives to the committee.

The preceding discussion on the CDP Unit workload has shown that the Unit's activities are inter-related and that, therefore, reducing any specific activities does not resolve the problem. It would be possible to reduce the Unit's involvement with M.A.C.C. This reduction, however, would reduce the ability to influence M.A.C.C.'s decision-making processes and decisions about worker co-operatives. The series of pamphlets and case studies are essential to an informed and educated worker co-operative sector, but they also stimulate interest in the development of worker co-operatives and increase the Unit's workload.

CONCLUSION

This paper, then, has attempted to provide a realistic assessment of the CDP Unit's workload and achievements. These achievements will be jeopardised unless staffing arrangements are appropriate. A number of overall conclusions about staffing arrangements are possible:

1. The workload is complex and complicating.
2. It takes time for officers to develop the necessary experience and skills.
3. Commitment to co-operative development is preferable to traditional neutrality and/or disinterest.
4. Co-operative development requires specific co-operative development skills.
5. The placement of staff in the CDP Unit should depend on their co-operative commitment, experience and skills.
6. There should be a minimum of four staff in the CDP Unit.
7. CDP Unit staff should be full-time. It is inappropriate to share staff between the CDP and other programs.
8. Continuity of CDP Unit staff is the basis for continuing efficiency and effectiveness.

Following from these overall conclusions, a number of specific personnel recommendations are possible:

1. Because of his continuing co-operative commitments and his experience and skills, David Griffiths should either:
 - 1.1 Remain Co-ordinator of the CDP.
 - 1.2 Supervise the Co-ordinator of the CDP.
 - 1.3 Become Program Co-ordinator of the Employment Development Program.
2. The services of Monica Fawcett should be retained within the CDP Unit.
3. Consideration should be given to the basis for retaining the services of Leigh Holloway in the CDP.
4. If Tony Gill is returned to the CDP Unit, then, this should be on a full-time basis.
5. If 1.2 or 1.3 is adopted, then, the new Coordinator of the CDP should have co-operative commitment, experience and skills.

The comments are made in the context of advice already tendered to the Assistant Director-General, the Acting Director (Employment Division) and the Deputy Director (Operations) that staffing arrangements in the Employment Division should be reviewed and based on program priorities and resourcing needs and the commitment, skills and interests of individual officers. This review should include the appropriateness of position classifications - including and particularly the CDP Unit positions.

David Griffiths with the assistance and support of Monica Fawcett and Leigh Holloway (CDP Unit), 28 October 1984.